

**RIO DELL CITY COUNCIL
SPECIAL MEETING
JANUARY 12, 2010
MINUTES**

A Special Meeting of the Rio Dell City Council was called to order at 5:00 P.M. by Mayor Woodall.

ROLL CALL: Present: Mayor Woodall, Councilmembers Barsanti, Dunker, and Thompson

Absent: Councilmember Barsanti (unexcused)

Others Present: Interim City Manager Stretch, Acting Director of Public Works Jensen
Wastewater Superintendent Chicora, Finance Director Beauchaine,
City Clerk Dunham, Merritt Perry, Rebecca Crow and Carlos Dias
from Winzler & Kelly Consulting Engineers

Absent: Chief of Police Hill

CONSENT CALENDAR

Motion was made by Thompson/Marks to approve the consent calendar including approval of the Progress Pay Request No. 4 to Wendt Construction Co., Inc. in the amount of \$49,513.68 for work related to the Safe Routes to School Improvement Project. Motion carried 4-0.

SPECIAL CALL ITEMS

Approve Amendment No. 2 to Scope of Services for Rio Dell's 2009 Streamlined Water-Effect Ratio Procedure for Discharges of Copper

Carlos Dias explained Winzler & Kelly was basically seeking authority to continue assisting the City with ongoing efforts with the development of a copper Water Effects Ratio (WER) to meet compliance with the California Toxics Rule (CTR). He stated the previous WER developed did not result in a high enough WER to provide the City with the needed assurance that it will be in compliance with final effluent limits for copper. As a result an amendment to the Scope of Services was necessary to proceed with a full scale copper WER testing based on 100% effluent. He said the amendment would include the submittal of a report to the Regional Water Quality Control Board (RWQCB) requesting the City's existing NPDES Permit be revised to include new effluent limits for copper based on the new dissolved copper criterion established by the WER.

Motion was made by Dunker/Thompson to approve Amendment No. 2 to the Scope of Services for Rio Dell's 2009 Streamlined Water-Effect Ratio Procedure for Discharge of Copper.

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Councilmember Thompson asked if the studies had been completed and how much had already been spent; Carlos stated that the studies were done and copies of the report were provided to the City for the cost of \$1,800.

Merritt Perry explained this was essentially a low cost way to look at the results and gauge where the City would be before expending the money and conducting a full scale test.

Interim City Manager Stretch explained to the Council that they didn't have a choice in the matter since this task had to be done and that the expenditure was budgeted.

Councilmember Marks said it was her recollection that the City had previously been fined \$65,000 for high levels of copper and asked for clarification; Public Works staff said they were not aware of any such fine and said they routinely do water testing in homes for lead and copper but were not aware of high levels of copper resulting in fines. Wastewater Superintendent Chicora stated there was a \$65,000 fine in relation to BOD, TSS and coliform test results but that fine was reduced to \$5,000.

Merritt Perry further explained the water quality parameters would stay the same and the next step would be to submit a work plan to the RWQCB.

Councilmember Dunker said he understood that the anticipation of the testing is that we will be in compliance and the RWQCB would then approve the work plan, and that it would not affect the schedule for the current Cease and Desist Order; Rebecca Crow explained that this was a separate issue and would not affect the schedule.

Motion then carried 4-0.

Proposed Mozzetti Irrigation Site, Soil and Groundwater Subsurface Investigation Report from Winzler & Kelly

Rebecca Crow began by explaining that the purpose of this soil and groundwater subsurface investigation was to determine the feasibility of implementing a Type II irrigation system to dispose of the City's treated wastewater effluent at the proposed Mozzetti irrigation site and said numerous testing had been conducted at the site including installation of four monitoring wells. She explained the investigation found the site to be well suited for Type II irrigation and it was recommended that the City secure 24 acres of land which would provide for the irrigation area and a buffer setback with approximately a 15% safety factor. She said it would be her recommendation that the City secure an additional six acres if possible as additional acreage may be needed depending on how the system operates.

Rebecca then provided a brief review of the hydrogeology results stating that upon drilling the monitoring well borings, groundwater level was observed to be approximately 25 feet deep at monitoring wells #1 and #2; and approximately 37 feet deep at monitoring wells #3 and #4

however, well #1 had been dry since July or August. In regard to water quality, she said the majority of the samples collected from the site monitoring wells were below water quality limits and in many cases below laboratory detection limits, resulting in a favorable study.

In conclusion, Winzler & Kelly's recommendation was to continue the monthly groundwater elevation measurements and the bi-monthly water quality sampling; submit the report to the RWQCB; repair monitoring well #3 well head with a larger volume of concrete and lower riser height then re-survey the top of the well casing; and address the lack of groundwater in monitoring well #1 for possible replacement with a different well.

Policy Direction/Discussion for Wastewater System Planning

Interim City Manager Stretch stated he had put together a staff report last week with hope to have enough information for the City Council to be able to make a decision on a plan for the wastewater treatment and disposal system but Winzler & Kelly was still gathering information due to recent significant changes in various phases of the project. He noted that Winzler & Kelly was prepared to provide a presentation on Wastewater Planning this evening with a final presentation of information no later than February 16, 2010.

Winzler & Kelly then presented a Wastewater Planning Session agenda which included the following items:

- Introduction and Review of Agenda Items to be discussed
- Review of Project Status
- Review of Existing System
- Discussion of Wastewater Treatment Approach Alternatives
- Discussion/Update on Disposal
- Near-term Next Steps
- Summary

Rebecca Crow began by reviewing the agenda items and background information on where we are today with respect to the City's Cease & Desist Order. She said in talking with the RWQCB they have been open to update of the compliance schedule but need solid assurance that the City can meet that schedule.

Merritt Perry said Winzler & Kelly staff along with City staff met with representatives of the RWQCB on December 30th and at that time, they expressed concern with the potential cost of the project for a new wastewater facility at the former Eel River Sawmill site and indicated it may be an obstacle for the City in obtaining that goal. Their direction was that the City first and foremost focus on wastewater effluent disposal.

Finance Director Beauchaine announced that she received notification from the State on the elimination of planning loans due to recent legislation and therefore had been in contact with

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Rural Community Assistance Corporation (RCAC) as well as USDA and I-Bank in attempt to come up with an alternative funding package for the planning phase of the project. She said she was also looking beyond for construction funding options.

Next, was review of three potential Wastewater Treatment Alternatives due to the concern expressed by the RWQCB representatives in regard to cost of the selected plan to construct a new facility at the Eel River Industrial Park. Along with Option 1 for a new wastewater treatment plant at the Eel River Industrial Park with Type II Irrigation on the Mozzetti parcel for disposal was Option 2 for a new wastewater treatment plant at the existing Rio Dell corporation yard with Type II Irrigation on the Mozzetti parcel for disposal; and Option 3 to modify the existing wastewater treatment system for improved treatment and nitrogen removal with Type II Irrigation on the Mozzetti parcel for disposal.

Each of the three options was evaluated including changes since the last evaluation, timing for implementation, cost estimates, advantages and disadvantages.

Interim City Manager Stretch clarified that under both Option 1 and 2, the exact same Aeromod Treatment Plant would be utilized.

Councilmember Thompson asked how the City would address expansion of the Eel River Industrial Park if the City were to keep the wastewater treatment plant at its current location; Merritt Perry said either a portable plant could be installed at the industrial park or a pipeline could be run across the bridge but regardless, a wastewater plan would need to be developed.

Councilmember Thompson asked what would happen in the event the City reached an agreement with Scotia to connect to our wastewater treatment system; Rebecca Crow commented that we would have the capability of adding a second Aeromod basin at the existing plant. She noted that all three options provided room for expansion.

In summarizing the advantages and disadvantages, the disadvantages of Option 1 were: cost; time constraints due to environmental permitting; possible difficulty with land negotiations; and having to pump untreated wastewater across the river. Disadvantages of Option 2 were: limited site space which may complicate future expansion; and that the wastewater treatment plant would remain close to residential. Disadvantages to Option 3 were: existing equipment will not act like new equipment and continued maintenance costs will be high; WWTP will remain close to residential; increases complication of operation; and may not address all compliance issues.

The main advantages of Option 2 were: new WWTP with reduced maintenance; City already owns the land; less permitting requirements; reuse of existing contact basin; ability to defer outfall upgrade/permitting; and approximately \$2.6 million less than Option 1 (not including cost for purchase of land).

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Mayor Woodall asked Wastewater Superintendent Chicora for his opinion on the three options; Chicora said he disagreed with option 3 stating that although it would be the least expensive initially, in the end would cost more because of maintenance. He said as an operator, he felt that either option 1 or 2 would be acceptable.

Councilmember Dunker said from the very beginning he has been in favor of option 1 because of potential revenue for the City but had two concerns at this time; potential loss of revenue, and whether Lisa Bernard at RWQCB felt it would be achievable to get through the permitting process with the Army Corp of Engineers in a reasonable amount of time.

Rebecca Crow stated time as well as affordability constraints were definitely an issue to consider at this point. She said Lisa Bernard did not say that she was totally opposed to option 1 but said the City would need to address nitrogen issues before we could irrigate.

Councilmember Dunker again commented that he felt option 1 would be an investment for the community and that it would eventually pay off with increased efficiency and reduced maintenance costs but was concerned with potential time constraints. He said with the new Highway 36 interchange, it could change development opportunities as well as the eventual turn around in the economy.

Finance Director Beauchaine addressed the council regarding potential economic development possibilities and explained that the City has a number of tools available including grants to assist a developer with infrastructure costs and said it would not necessarily be prohibitive to a large developer.

Councilmember Marks noted that the current treatment plant has never been used to its full potential for effluent limits under the NPDES permit so under option 2, we could still include Scotia if needed.

Discussion continued regarding potential funding, wastewater rates, and the possibility of an assessment district. Rebecca Crow explained the rates were estimated based on variables in funding options as well as construction costs and depending on the option chosen, the rates could change. She commented that Debbie Coggins from USDA had indicated that they were not willing to fund a \$14 million project for the City but we could possibly be in line with USDA for \$3 million grant and \$3 million loan which would put the rates at around \$100 per month per EDU.

Finance Director Beauchaine noted that when she talked to Debbie Coggins she indicated a larger funding package could be put together if we could meet their timeline. Beauchaine said that although there were definite benefits of option 1, it was really cost prohibitive.

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Councilmember Dunker then asked Acting Director of Public Works Jensen and Wastewater Superintendent Chicora on their opinions about the proposed options in regard to addressing current and future needs of the City.

Chicora said that although option 1 would be the ideal choice, economic conditions needed to be considered along with the fact that the RWQCB doesn't want to see untreated effluent piped across the bridge. He said he also had concern about potential earthquakes and the possibility of damage to the pipeline.

Jensen stated that although options 2 and 3 could accommodate Rio Dell as well as Scotia with removal of the sludge drying bed structure, operation and maintenance with option 3 could be a nightmare. With all things considered, he said option 2 would be his choice stating that the City needs to do something quickly to address the Cease & Desist order.

Interim City Manager Stretch pointed out that we would be looking at a difference of around \$4 million between option 1 and 2 when considering land costs, so also recommended option 2.

Bud Leonard, 300 Woodland Dr. stated that this is a tough decision for the City and pointed out that there is only 8 months difference in the timeline between option 1 and 2 and would be in support of either of those options.

There being no further public comment, the public hearing closed at 7:05 P.M.

Motion was made by Dunker/Marks to direct staff to proceed with the planning for wastewater disposal based on option 2 as presented. Motion carried 4-0.

Motion was made by Dunker/Marks to direct staff through Winzler & Kelly to undertake an Anti-degradation Analysis of the Mozzetti site as required by State law and to bring back for approval at the next regular meeting, an agreement between the City of Rio Dell and Winzler & Kelly regarding the scope of services for the Mozzetti Irrigation Site Groundwater Anti-Degradation Analysis. Motion carried 4-0.

Motion was made by Dunker/Marks to designate the Interim City Manager as the representative for real property negotiations in regard to the planning for wastewater disposal under option 2. Motion carried 4-0.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 7:15 P.M. to the January 19, 2010 Regular Meeting.

Attest:

Julie Woodall, Mayor

Karen Dunham, City Clerk